Financing in the times of the Pandemic:
Gender Implication of IFIs support to
India during the Covid-19 Pandemic

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International Financial Institutions (IFIs) have been deeply involved in the economies of developing countries for decades, as they are considered “critical development partners” to achieve the Sustainable Development Goals (SDGs), due to “deep institutional expertise in providing and catalysing investments in sustainable development”. While traditionally IFIs have been associated with public investments in economic production and trade zones, transport and energy infrastructure, etc., during the coronavirus pandemic they have been called on to play a different role by fast tracking their response to ensure immediate relief, with particular focus on the health and MSME sectors.

This paper will start by touching on the response of IFIs to the Covid-19 induced economic crisis and the support India has sought from them to respond to the challenges. It will spotlight four such financial agreements, and especially, their gender implications. It will end by making a few recommendations to those IFIs to be becoming more responsive to the issues that feminists have tabled.

The Great Disrupt

The world as we knew it has changed in a matter of a few months. The unforeseen and unprecedented Covid-19 mega pandemic, and the responses by governments to it, has disrupted millions of lives. The unprecedented health crisis coupled with severe economic hardship, as the methods to “flatten the curve” (i.e. slow down the spread of coronavirus) included reducing contact among people by imposing lockdowns, preventing the large gathering of people and introducing the concept of physical distancing among people. The human costs in terms of lives lost, health outcomes, livelihoods shattered, careers derailed are staggering. “As of November 11, 2020, Covid-19 has killed more than 1.1 million people and infected more than 44 million people in every part of the world”.

The global economy has had a worst shock with estimates that the pandemic will cost the global economy US$22 trillion in lost output by 2025. The period has seen a sharp increase in the levels of poverty, social inequalities and social anxieties. While the virus is said to infect people without discrimination, it affects them differently. Economic activities were dislocated and spotlighted existing inequalities, which resulted in deep negative social, economic and psychological fallout on poor and marginalised women, girls, and gender and sexual minorities. Covid-19 has drawn attention to the fact that pandemics are a consequence of large-scale human destruction of nature driven by an extractivist and growth-obsessed economic system. Climate change too increases the risk of Covid-type pandemics.

IFIs and Covid-19

The twin crises of health and economics left almost all countries staggering and most of them turned to IFIs for help. IFIs and Overseas Development Assistance offer different kinds of financing support to developing countries. These range from direct budgetary support such as Poverty Reduction and Growth Programmes (World Bank) and General and Sectoral Budgetary support (EU), as well as money for infrastructure projects, development of the private sector including micro-financing, energy efficiency etc. Ordinarily, most projects of IFIs are around market or infrastructure development, but in their Covid-19 response, they have turned to “increasing hospital capacities, improving vaccine distribution networks and providing Personal Protective Equipment (PPE) supplies and training to health officials.”

• **Huge spur in demand:** The Covid-19 pandemic has resulted in an unprecedented demand for International Monetary Fund (IMF) financial assistance. While previously, the highest number of IMF programmes approved in a single year was 34 (in 1994), and on an average, the IMF used to approve 18 programmes a year, however, 2020, more than 100 of the IMF’s 169 member countries have requested IMF programmes.

• **Rapid response:** As of September 14, 2020, IFIs and Regional Financing Arrangements (RFAs) have globally approved US$18.2 billion in Covid-19 related support since January 27, 2020, and have disbursed US$124.2 billion, about two-thirds of the amount approved.

• **Greater resources mobilised:** Congressional Research Service (CRS), in its analysis of the international financial institutions says that they are “mobilising unprecedented levels of financial resources to support countries responding to the health and economic consequences of the Covid-19 pandemic.”

• **Emergency lending:** The IMF, for example, will provide around US$50 billion in emergency lending to the poorest countries and emerging markets. About US$10 billion will be offered interest-free to the poorest countries by the Rapid Credit Facility and about US$10 billion by the Rapid Financing Instrument to emerging markets. Most of the Multilateral Development Banks (MDBs) responded to the pandemic by garnering resources for emergency support. This included “reprogramming existing projects, establishing and funding with emergency resource lending facilities dedicated to the Covid-19 response, and streamlining approval procedures.”

Effect on women and girls: The pandemic as mentioned previously has spotlighted the divide that exists in society and expose[s] the precarious nature of the lives of the marginalised. Given below is a snapshot of some of the impacts Covid-19 had on women and girls.

- **Poverty:** Between 2006-2016, India had made progress in terms of poverty reduction, and 271 million people moved out of poverty. The face of poverty continues to be female and this is set to increase to 14.7% for women and girls, who will be living in extreme poverty in India by 2021 as compared to 13.7% in men.

- **Hunger:** A survey of 5,000 rural households across 12 states that was conducted five weeks into the lockdown, showed high levels of food insecurity had resulted in more than 50% skipping meals and 24% dependent on others for food. This in a country with alarming high levels of malnutrition when the food budget of households shrink, it is women and children’s nutrition that suffers the most. The lockdown resulted in the closure of pre-schools and schools whereby children lost access to free meals. The street vendors and eatables disappeared, and with it, cheap food.

- **Debt crisis:** The survey also showed that a significant proportion of households are getting into debt selling assets to get by. Evidence suggests that women’s asset base may shrink further due to distress sales, and “will be forced to take usurious loans from informal moneylenders”.

- **Employment and livelihood:** With most of the economy shut down, the fragility of India’s labour market was apparent. India’s informal sector, which is the backbone of the economy employs 54% of women. They have no social security, decent and timely wages, and in some cases, even the right to be called a “worker.”

- **Violence against women and children:** This sharply rose (as it had during previous pandemics) The inability to leave home, the loss of jobs, the shutting down of services for survivors of violence and the increased unemployment (of men and women) contributed to this worsening situation. The National Commission for Women received 2,043 complaints of crimes against women in June 2020, the highest in the past eight months. The internet searches for child sexual abuse related content jumped by 95 % increase since before Covid-19 related lockdowns. Child marriages have increased as employment has shrunk and schools remain shut.

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4 [https://www.evergreenreport.com/files/20200516/H48425_79a07b19257c058e50b5f31e33d17a3ab5f3f7d3.html](https://www.evergreenreport.com/files/20200516/H48425_79a07b19257c058e50b5f31e33d17a3ab5f3f7d3.html)

5 [https://www.indiaenvironmentportal.org.in/content/India-Covid-19-Economy](https://www.indiaenvironmentportal.org.in/content/India-Covid-19-Economy)


8 [https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6704024/](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6704024/)

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Healthcare: Women access to healthcare also dropped due to the lack of availability of services (including sexual and reproductive health services, which governments deem to be non-essential during phase 1 and 2). The loss of income and closing of schools has impacted maternal health and hygiene of adolescents and women too, as in some areas, schools had been supplying sanitary napkins.

Education: A staggering 320 million learners in India have been affected by the Covid-19 pandemic and the transitioning to e-learning. Girls and children from socially and economically disadvantaged backgrounds (as well as those in remote areas), including Dalits and tribes, who are already disadvantaged in terms of access to education are more severely impacted.

Reverse migration: Upwards of 40 million internal migrants have been affected due to Covid-19.

Care work: Given the gendered nature of division of work in most countries, including India, domestic chores and care work at home falls almost entirely on women and girls.

Government response and IFIs

The government of India started with a few early measures, including thermal screening at a few of the airports in mid-January 2020 for contact tracing of those testing positive. By early March, schools were closed and a couple of weeks later, India adopted lockdown measures, which are at the high end of the University of Oxford’s Covid-19 Government Response Stringency Index. Attempts were made to ramp up capacities and coordinate action. Public response to the Indian government’s actions remained high according to a global survey.

On 26 March, at 7 billion (~USD 22 billion) relief package announced by the Finance Minister was followed by the Prime Minister of India’s Covid relief package of 20 trillion (~USD 260 billion) in May.

This took the form of:

- Tax measures: Direct taxes and Customs related relaxations were brought in.
- Food related: Around two-thirds of the population will be covered under the Pradhan Mantri Ghar Gyan Ann Yojana (Food scheme). Each household would get about five kilograms of cereals, and 1 kilogram of pulses free for three months through the Public Distribution Scheme (PDS).
- Employment and livelihood: Schemes under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) have seen workers wage increased from ~Rs 182 to ~Rs 202 and this is to benefit 50 million families.
- Doubling of collateral free loans of ~Rs 200,000 for Self Help Groups (SHGs), covering around 70 million households.
- The building and construction workers and the district Mineral Fund State of about ~Rs 310 billion, to be by the state government to help those who are facing economic disruption because of the lockdown.
- Direct benefit transfer related: About 86.9 million farmers with ~Rs 10,000 that they receive every year upfront (instead of in instalments).

An amount of ~Rs 1,000 was given to 30 million senior citizens, widows, people with disability and women.

83 million families below poverty line also got free LPG cylinders for three months.

Healthcare related: Medical insurance cover for about 2 million healthcare services and ancillary workers.

Organised sector related – Social security.

This included easing withdrawal of the Employees Provident Fund Organisation (EPFO), and the NPS, reduction in contribution and cover of EPF contributions for six months for small companies.

The stimulus packages rolled out by the government for the economy’s recovery post-Covid-19 are devoid of welfare schemes, specifically for women. The safety net of labour and economic policies does not sufficiently factor in the informal economy, with due recognition for care work. Women as economic agents are conspicuously absent. “The comprehensive roadmap of Atmanirbhar Bharat” has mentioned “women” just five times, the most noteworthy mention being “from all the occupations are open for women and now women can work in night with safeguards”. However, no funds have been earmarked for creation of any such safeguards to facilitate their entry into labour market.

In order to finance these efforts, India turned to the IFIs for support. India needed this infusion, especially since both demand and supply of credit sources of revenue were falling drastically, and foreign investors were pulling out rapidly.

We will explore four of these agreements by examining the priorities and range of activities that they covered as well as their limitations.

The four represent different IFIs – the WB, which is among the oldest IFIs, Asian Development Bank, which is amongst the oldest regional bank, and newer Multilateral Development Banks – Asian Infrastructure Investment Bank and New Development Bank.
The projects that were supported ranged from immediate assistance to long-term efforts.

### The immediate ones included
- Health (including testing, prevention of spread of COVID-19, treatment for those who are infected and building capacities of health workers including frontline responders).
- The extension of social assistance for the vulnerable, support for the national employment and pro-poverty relief work.
- Social security measures enhanced for affected workers in both the formal and informal sector.

### The ones with long-term objectives included
- Health: enhancing healthcare capacity in India and strengthening national health systems preparedness.
- Strengthening the delivery of India’s safety net programmes and
- Streamlining of the social protection schemes “to an integrated system that is fast and more flexible, acknowledging the diversity of needs across states”.

### Benefits of the support
- Able to access resources—Most countries in the global south generally face “significant” and disproportionate barriers to receiving the financial support necessary to weather the crisis.

### Gaps and Problems
While these are crucial areas to cover and has the potential to address the current situation and also impact future pathways to growth at the same time, there are some serious limitations with the existing approach from a feminist perspective.

### The Missing Women
The gender policies and Environmental and Social Frameworks (ESFs) of the IFIs are key to shaping IFIs investment decisions. The approach of each of the 4 IFIs are rather different. ADB and NDB have yet to work out their gender policies, and the incorporation of gender issues in the existing environmental and social frameworks could be strengthened further. BRICS Feminist Watch has repeatedly underlined the need for NDB to develop a gender policy. The World Bank’s gender policy (updated in 2003), is supported with the World Bank Group’s 2016-2023 gender strategy. The approach has moved from gender main stream (1995-2004), to gender equality through ‘smart economies’ it is significant that “the gender action plans and strategies provide guidance to staff, but are not mandatory”.

The ADB has a strong gender policy and ESF. In a ranking of IFIs, Elaine Zuckerman and Thanh Mai Berche, place second among the IFIs that they studied to assess the strength of their gender responses. Despite this the gender components of ADB response to Covid 19 investments in India are inadequate.

### Gender roles
Stereotypical ideas about women’s role abound as reflected in the hailing of the free cooking gas offered as a support for women, who in turn are expected to feed the family. One of the thrusts of these IFI funded projects is around better delivery of the services and it is suggested that women’s self-help groups can help last-mile delivery of social assistance in concert with technology innovations.” This is a more instrumental view of self-help groups; where they would deliver the services rather than shape the intervention. There is also no attempt to devolve power down to them.

### Gender Indicators
While the WB acknowledged the specific social groups are at risk of exclusion from accessing resources and government programmes but there are no indicators to ensure that the projects address gender concerns. Similarly, the ADB unequivocally states “The disadvantages and inequalities suffered by women in India are likely to be exacerbated as a result of the pandemic”. But, goes on to only talk about “providing appropriately sized personal protective equipment and sanitary products to all female staff”. Besides the health workers, the support was to ensure the continuation of maternal and child health services, and “providing basic hygiene and sanitary products for female patients”.

However, reports suggest that there is lack of adequate protective equipment and

### Decision-making
Women are missing from decision-making positions in the bodies that have been constituted to respond to the pandemic. This despite the stellar role played by women leaders in a range of countries in containing the pandemic. In India, while the national Covid-19 Economic Response Task Force is headed by the Finance Minister, Nirmala Sitharaman, who is a woman, there are only two women on the 21-member Committee for Public Health Experts on Covid-19, constituted by the Indian Council for Medical Research. Similarly, very few women are a part of the 11 Empowered Groups formed under the Disaster Management Act to ensure a comprehensive and integrated response to Covid-19.

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4. http://pawer.org/2020V7Fc3Fylb3bfN8NhB0gQ3OxHHQ533lEw%20Gender%20Policy.pdf
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Over-emphasis on Technology:

The IFIs have emphasised the unique welfare delivery mechanisms, such as the public distribution system, that have migrated to the digital sphere by linking the recipients’ biometric information through the identification scheme such as Aadhaar. This is however problematic and here are the reasons why:

- There are serious concerns around data security and privacy concerns due to the collection of big data and the ways in which this will increase the surveillance of state and non-state actors. The direct linking of Aadhaar to accessing reproductive healthcare services is “in direct violation of a female’s right to decisional privacy with regard to their own body”.
- Any mismatch, non-recognition of biometric data, or any other issue with their Aadhaar number, results in their deep hardship as Aadhaar has become the default standard identity proof document to accessing a lot of public service”. Although, Aadhaar is supposed to overcome the domicile problem, the demand for proof of address impacts women adversely. They are less likely to own property and also tend to migrate after marriage to the husband’s home.
- Searching for more technological fixes for problems causes the obliteration of socio-cultural barriers and other factors that exclude women and other marginalised groups from accessing their rights.
- The pandemic has made it clear that safety nets, including welfare and social security play a vital role in not just enhancing peoples’ lives, but ensuring their survival, and how unhappily adopted technological “solutions” perpetuates inequalities.

Direct Transfer of Benefits

The IFIs funded projects assume that programmes that move money into the bank accounts “directly transfers majority of benefits to women, thereby redressing gender-based vulnerabilities during a time of isolation” [1]. However as explained, financial inclusion alone in terms of access to banking services is still not sufficient to reach the most vulnerable women and transgenders. There is “economic, normative, and social barriers that women face in accessing and controlling their accounts” [2].

Encouraging the privatisation of services

Even while the pandemic has pointed to the need for a robust public health system, a loan like this at the time when we are facing the most critical public health challenge in recent history, signals again the underpinning of public health systems. The issues of affordability are not considered as a potential “social issue” or “risk [that] should be considered in the project design”. This assertion is made despite the clear indication that this project is housed in an expensive private facility and as such will be out of the reach of the most vulnerable, including women. Women’s health is not merely low on the priority for families but they often do not have access to financial resources to pay for their health needs. The push for health insurance as a measure to offer support to those who are or might be adversely impacted by the pandemic, is again an effort to place the responsibility of healthcare on the individual. This approach that each individual will be covered by a health insurance leads to greater privatisation of health services at a time when the need for a robust public health system has been undermined.

Participation discouraged

Privatisation of services greatly narrows the possibility of greater participation or engagement of poor and excluded. The Jointown Covid-19 Pharmaceutical Distribution Project supported by ADB for example states, “As an enhancement of pre-existing industrial-scale medical supplies distribution operations, the potential for participation of the poor and excluded in project design is limited” [3].

Assessing Gender Outcomes Difficult

- Assessing information about the projects that the IFIs support, including the design and conditions continues to be a difficult task. This makes it difficult to assess the process and also the results. Many of the projects, for example, have been marked as helpful in “effective gender mainstreaming”.
- Assessing negative fallouts: In the NDB document, there is an appropriate statement along with other risks that is also a lamentable of “community exposure and social risks in the vulnerable population”. Yet it goes on to address only the risks pertaining to management of biotechnical waste. There is no clarity on the steps that will be taken to address social risks” [4]. IFIs declare that a project will have “no adverse environmental and social impact” without specifying the methods used to reach this conclusion. Even in keeping in mind that these are unusual projects, and that time was of essence, it is unclear if any rapid assessment was undertaken, at least for the first and third phases of the government’s response.
- Use of country systems to deal with the consequences by expecting national level frameworks to deal with the fallout, also amounts to absolving the IFI of responsibilities around the project, as well as terms and conditions of the loan that they approve.

Recommendations for the IFIs

Given the fallout of the interventions by governments that are supported by IFIs, there is a need to ensure that they fulfill human rights, generate capabilities and reduce inequality (including gender inequality). The thinking of IFIs is reflected in the IMF Fiscal Monitor Report that stresses, “once the Covid-19 crisis is over, high-debt countries should, in general, pursue fiscal consolidation supported by growth-friendly measures”. This pursuit of growth if it impacts today’s recovery efforts, will likely influence economic development pathways for many years to come.

Commitment to sustainability and equality

While most IFIs claim a commitment to social inclusion and sustainability, these are weak at the best of times. “the IFIs’ decades-long paradigm, starkly exposed by today’s COVID-19 pandemic... have ultimately benefited corporations more than poor women and men whose lives IFIs claim to improve...” [5]. There are further signs in times of emergency, including the current Covid-19 health response projects. This modus operandi could result in long-term damage of the environment and further disadvantage marginalised groups and increase gender gaps on social and economic indicators. Response to this crisis should not result in other crises, like the climate change crisis worsening or increased gender gaps.

The UN has developed a Checklist for a Human Rights-Based Approach to Socio-Economic Country Responses to Covid-19. The comprehensive list includes:

- Conducting a gender analysis of impact and interventions
- Mapping of risks to adolescents, children and youth, especially girls and young women and LGBTI persons and sectors where women dominate
- Social protection and other measures taken to be gender-sensitive and targeted measures put in place to support women
- Addressing all forms of gender-based violence
- Ensure there are budget allocations
- Inclusion of women and other marginalised groups - consider and decide mainstreaming the responses to the pandemics to community, regional, and national levels, as well as through special mechanisms to respond to COVID-19 [6].

The IFIs should commit to adhere to this list, along with deploying the Guiding Principles on Human Rights Impact Assessment of Economic Reforms, voted by the United Nations Council in 2013. The IFIs should incorporate principles that states have to adhere to human rights standards, even while rolling out their economic policies, and demonstrate this by conducting human rights impact assessments. The principles of indivisibility and interdependence of all human rights, as well as equality and combating multiple and intersectoral discrimination are well-supported. Principle 2 explicitly talks of “Non-discrimination based on gender and substantive gender equality”. The declaration also points to the need for policy coherence (including in debt strategies) and that adequate financial resources should be allocated to ensure these are translated into action. This “should help prevent, minimise and redress violations of women’s human rights in the context of economic policies and reforms to be implemented by governments, some of which are being promoted by IFIs”.

Involvement of local communities especially women

Mechanisms to ensure that local communities are consulted about projects that will be implemented in their area are vital. This will not only ensure greater buy-in for the project, but will also make it more robust and relevant due to the feedback of a wider section of society. These processes of consulting and involving the community haveto ensure that the voices of the marginalised are also heard. Local community organisations have to be viewed as active agents and not as mere vehicles to deliver pre-designed projects. There are concerns that marginalised populations might be disregarded in these projects. The rapid disbursement of funds has also impacted issues of transparency. IFIs like the NDB are particularly obvious, making it difficult to get a more holistic idea of the projects that it supports.

Gender analyses and decision-making processes

Granting that this is an emergency situation and normal procedures may have to be given a go-by, it is important to conduct at least a series of Rapid Gender Analyses of the projects, drawing on the expertise of feminist scholars, practitioners, health experts and others that brings multiple sector perspectives [7]. This should happen before and after the project is rolled out. These reports should inform the intervention of the IFIs, and gender-based indicators need to be incorporated into the reporting formats.

Ensure decision-making bodies are gender-balanced and inclusive

Men dominate leadership positions in the decision making at the level of national and global level bodies. This is a symptom of a broken system where governance is not inclusive of any type of diversity, be it gender, geography, sexual orientation, race, socio-economic status or disciplines within and beyond health – excluding those who offer unique perspective and skills. This not only reinforces inequitable power structures but undermines an effective Covid-19 response – ultimately costing lives [8].
Besides this, the need to have women in decision and policy making spaces, as their presence in “the upstream ecosystem” will allow for a “downstream impact on their inclusion”, in both social and economic spaces and has implications for sustainable impact.

**Gender sensitivity of projects**

Many of the current projects are considered “gender neutral”, however, research and experience have highlighted that they often impact women negatively. Health projects that are supported need to ensure that the rights of informal health worker (who are mostly workers) are not compromised. Projects that focus on disseminating information to dispel myths and misconceptions should also ensure that it is tailored to the needs of women (given lower literacy rates as well as access to communication technology). Surveys are needed to arrive at better understanding of the effects of Covid-19 and to ensure it is not limited to the head of the households (usually men) but includes women, girls and transpeople. Women are often excluded from “farmer relief packages, including the benefits under the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), since they are not recognised as ‘farmers’ and do not own landholdings”.

The projects that are currently supported include social protection schemes but as discussed, it may not be able to reach women, particularly if the recipient is the household head, typically a man. Often, even when women do receive the benefits they cannot control it. Conditionalities attached to cash-transfer programmes should be dropped to minimise those who would fall through the cracks and should include women with care responsibilities. Other forms of social assistance including food-banks, community kitchens, school feeding programmes, waivers of utility payments etc., should also be considered.

There is a need for separate support for women – as mothers, as caregivers, as survivors of domestic violence etc., but these have to be in tandem with a gender perspective that informs all projects. A failure to do this would result in women being only included in schemes that are traditionally considered “women’s issues” (example: maternal health) with little effort to redress persistent disparities in access to resources and the ability to speak out.

**Building back better**

The reverse migration due to the lockdown has translated to a greater demand for employment opportunities in the rural areas. This could be a time when people are employed in solutions that would help mitigate the impact of climate change now and in the future. This could mean planting trees, watershed activities, seed banks etc., in which women are centrally involved. The public health system in India is rather rickety due to chronic neglect. The investment in public health in India is dismal. India allotted 1.28% of GDP as health budget in Financial Year 2018, as compared to the national target of 2.5%.

The pandemic demands immediate action on multiple fronts (information sharing, behaviour change, testing, treatment, post-treatment isolation etc.) and exposed the frailty of these institutions in dealing with these requirements. To conclude, while IFIs have provided vital support to India (and other countries), to deal with the immediate response to save lives, and their support sought to restore livelihoods and mitigate the socio-economic impact of the crisis (along with multiple global economic shocks) and work to resetting the economic policies to ensure that these policies promote greater sustainability, inclusion, and resilience, and feminist analysis and the voice of women, girls and other marginalised groups should be at the centre of all responses.

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